

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: LOCAL BOARD RECERTIFICATION

SUBJECT MATTER HIGHLIGHTS

This policy provides guidance and establishes the procedures regarding the recertification of Local Workforce Development Boards (local boards) under the *Workforce Innovation and Opportunity Act*. Local board recertification is effective July 1, 2016, through June 30, 2018.

COMMENTS DUE

August 7, 2015

Comments can be submitted through one of the following ways:

Fax	WSD, Attention: Ramon Valencia at 916-654-9753
E-Mail	ramon.valencia@edd.ca.gov (Include "draft comments" in the subject line)
Mail	WSD / P.O. Box 826880 / MIC 50 / Sacramento, CA 94280-0001

All comments received by the end of the comment period will be considered before the final directive is issued. The Workforce Services Branch does not respond individually to each comment received. However, a summary of comments will be released with the final directive. **Comments received after the specified due date will not be considered.**

If you have any questions, contact Ramon Valencia at 916-654-6111.

WORKFORCE SERVICES DRAFT DIRECTIVE

Number: WSDD-118

Date: June 29, 2015

69:007:rv:17375

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: LOCAL BOARD RECERTIFICATION

EXECUTIVE SUMMARY

Purpose

This policy provides guidance and establishes the procedures regarding the recertification of Local Workforce Development Boards (local boards) under the *Workforce Innovation and Opportunity Act* (WIOA). Local board recertification is effective July 1, 2016, through June 30, 2018.

Scope

This directive applies to all local boards.

Effective Date

This directive is effective on the date of issuance.

REFERENCES

- WIOA (Public Law 113-128) Sections 106 and 107
- *Workforce Investment Act* (WIA) (Public Law 105-220) Sections 116 and 117
- Title 20 *Code of Federal Regulations* (CFR) Part 652 et al: WIA; Final Rules
- Title 2 CFR Chapter I, Chapter II, Part 200, et al., "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;" Final Rule (Uniform Guidance)
- Title 2 CFR Part 2900 et al., "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Uniform Guidance)
- Title 29 CFR Part 95: "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations"
- Title 29 CFR Part 97: "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments"
- *California Unemployment Insurance Code* (CUIC) Section 14202(c)
- Training and Employment Guidance Letter TEGl 27-14, Subject: *WIOA Transition Authority for Immediate Implementation of Governance Provisions* (April 15, 2015)

The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.

- Workforce Services Directive WSD14-10, Subject: *Initial Local Workforce Development Area (Local Area) Designation and Local Board Certification Under WIOA* (February 20, 2015)
- Workforce Services Directive WSD12-14, Subject: *Program Year (PY) 2013-17 Local Plans and Board Certification (Biennial and High Performing)* (May 22, 2013)
- WIA Directive WIAD06-10, Subject: *Local Area Nonperformance Policy* (November 14, 2006)
- Workforce Services Information Notice WSIN12-62, Subject: *Late Monthly, Quarterly, Closeout, Audit and Participant Reports* (May 23, 2013)

STATE-IMPOSED REQUIREMENTS

This directive contains some state-imposed requirements. These requirements are indicated by ***bold, italic*** type.

FILING INSTRUCTIONS

Retain this directive until further notice.

BACKGROUND

Workforce Services Directive WSD14-10 provided guidance for initial local board certification under WIOA. Initial local board certification was effective July 1, 2015, through June 30, 2016.

The WIOA Section 107 provides the criteria for the recertification of local boards. Specifically, WIOA Section 107(c)(2)(A) requires the Governor to certify one local board for each local area in the state once every two years. Additionally, WIOA Section 107(c)(2)(B) states that, in order to be recertified, the local board must have met WIOA membership requirements, met or exceeded performance accountability measures, and achieved sustained fiscal integrity. The California Workforce Development Board (State Board) and the Employment Development Department (EDD), acting under the authority of the Governor, have established policies and procedures within this directive for the recertification of local boards. The EDD and the State Board will provide technical assistance and guidance as needed to local boards implementing WIOA activities.

POLICY AND PROCEDURES

Recertification Criteria

As required by WIOA Section 107(c)(2), the State Board will recommend to the Governor, recertification of a local board if it met the four criteria listed below:

1. *The Local Board Met the Membership Provisions in WIOA Section 107(b)*

Local boards must meet the membership provisions established in WIOA Section 107(b) and CUI Section 14202(c) by March 31, 2016.

Note that, the State Board and EDD recognize that Workforce Services Directive WSD14-10, *Initial Local Area Designation and Local Board Certification Under WIOA*, did not require existing local areas to establish a WIOA compliant board until June 30, 2016.

The State Board and EDD believe this revised timeframe still allows adequate time for local areas to transition to the required membership and ensure the local board is properly constituted to engage in a meaningful strategic planning process envisioned in WIOA.

Local boards must ensure they are fulfilling the intent of the “Sunshine Provisions” in WIOA. WIOA Section 107(e) requires local boards to make available to the public, on a regular basis through electronic means and open meetings, information regarding the activities of the local board, including membership information.

2. *The Local Board Met or Exceeded Performance Accountability Measures*

The local board must have achieved 80 percent or higher on at least eight of the nine locally negotiated common performance measures for PYs 2013-14 and 2014-15. (This flexibility is in alignment with WIA Directive WIA06-10 and Workforce Services Directive WSD12-14).

The evaluation of local performance outcomes will consider the extent to which local boards have begun to implement WIOA, and the potential impact on local performance levels.

3. *The Local Board Achieved Sustained Fiscal Integrity*

The local board may not have been found in violation of one or more of the following during PYs 2013-14 or 2014-15:

- Final determination of significant finding(s) from audits, evaluations, or other reviews conducted by state or local governmental agencies or the Department of Labor identifying issues of fiscal integrity or misexpended funds due to the willful disregard or failure to comply with any WIA requirement, such as failure to grant priority of service or verify participant eligibility.
- Gross Negligence - defined as a conscious and voluntary disregard for the need to use reasonable care, which is likely to cause foreseeable grave injury or harm to persons, property, or both.
- Failure to observe accepted standards of administration. Local areas must have adhered to the applicable uniform administrative requirements set forth in Title 29 CFR Parts 95 and 97, appropriate Office of Management and Budget circulars or rules, WIA regulations, and state guidance. Highlights of these responsibilities include the following:
 - Timely reporting of WIA participant and expenditure data.
 - Timely completion and submission of the required annual single audit.
 - ***Have not been placed on cash hold for longer than 30 days*** (In alignment with WIOA Section 106[e][2]).

4. ***The Local Board Demonstrated Substantial Progress Toward Implementing Key WIOA Provisions***

The local board must demonstrate they have taken measures toward implementing key WIOA implementation provisions and designing a better system for customers. This includes, but is not limited to, strategic planning, developing new services, entering into new collaborative partnerships, and creating innovative workforce development strategies in alignment with WIOA. The following are key WIOA implementation provisions being assessed:

- ***Meeting new youth service requirements.***
- ***Procuring America's Job Center of CaliforniaSM (AJCC) operators (unless granted a waiver under WIOA Section 121[d][1][A]).***
- ***Procuring AJCC career service providers (unless granted a waiver under WIOA Section 107[g][2]).***
- ***Adhering to the new Uniform Guidance requirements.***
- ***Establishing Memorandums of Understanding with local partners.***
- ***Developing sector initiatives and career pathways in high demand industries in coordination with community colleges, apprenticeship programs, adult basic education, and other training providers.***
- ***Adopting, implementing, and promoting the AJCC brand.***

Recertification Request

In order to determine if local boards have met the recertification requirements, local boards must complete Attachment 1, Local Board Recertification Request. The request must be signed by the local board chairperson or officially designated alternate and the local Chief Elected Official (CEO).

The completed request must be submitted to the State Board no later than 5:00 p.m., March 30, 2016. The State Board will accept signed or unsigned copies on or before this date. The signed copies must be received no later than June 20, 2016.

Mail California Workforce Development Board
P.O. Box 826880
Sacramento, CA 94280-0001

Courier California Workforce Development Board
800 Capitol Mall, Suite 1022
Sacramento CA 95814

Hand Deliver California Workforce Development Board
800 Capitol Mall, Suite 1022
Sacramento CA 95814

Assessment of Recertification Request

The State Board, in coordination with EDD, will verify the information provided in the recertification request. The State Board will consider all information provided, and determine whether to recommend recertification at its spring 2016 meeting.

The local board will be notified in writing by May 20, 2016, regarding its recertification status. If approved, the local board recertification will be effective July 1, 2016, through June 30, 2018. If denied, the local board may be granted conditional certification and required to submit a corrective action plan to the State Board as outlined in the "Failure to Achieve Recertification" section below.

Failure to Achieve Recertification

If a local board fails to achieve recertification, the State Board and EDD will work with the local board in a good faith effort to improve those areas out of compliance, granting conditional recertification if necessary.

Local boards that are granted conditional recertification will be required to submit a corrective action plan to the State Board by June 20, 2016. The corrective action plan must address the recertification criteria the local board did not meet (i.e., membership, performance, sustained fiscal integrity, or demonstrated progress toward implementing key WIOA provisions). The corrective action plan must be signed by the local board chairperson or his/her official designated alternate.

If the local board fails to submit a corrective action plan as required, the local board's recertification request will be denied and a new local board will be appointed and certified in accordance with WIOA Section 107(c)(2)(C).

ACTION

Please bring this directive to the attention of the local board, local CEO, and other relevant parties.

INQUIRIES

Contact your assigned [Regional Advisor](#) if you have questions concerning this directive.

/S/ JOSÉ LUIS MÁRQUEZ, Chief
Central Office Workforce Services Division

Attachment is available on the Internet:

1. [Local Board Recertification Request](#)